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November 29, 1999

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TEMERAL COMMUNICATIONS COMMUNICATIONS OF THE SECTIONS

Ms. Magalie Salas Secretary Federal Communications Commission 445 12th Street, S.W. Washington, D.C. 20554

Re:

In the Matter of 1998 Biennial Regulatory Review -- Review of Accounts Settlement in the Maritime Mobile and Maritime Mobile-Satellite Radio Services and Withdrawal of the Commission as an Accounting Authority in the Maritime Mobile and Maritime Mobile-Satellite Radio Services

Satellite Radio Services IB Docket No. 98-96

Dear Ms. Salas:

Enclosed please find an original and nine copies of the REPLY COMMENTS OF COMSAT CORPORATION in the above-referenced proceeding. An additional copy is attached. Please date-stamp this copy and return it to the courier.

Please direct any questions to the undersigned.

Respectfully submitted,

Bruce A. Henoch General Attorney

Enclosures

No. of Caples rec'd OL9



Before the FEDERAL COMMUNICATIONS COMMISSION OFFICE OF THE SECRETARY Washington, D.C. 20554

In the Matter of)	
)	
1998 Biennial Regulatory Review)	
Review of Accounts Settlement in)	
the Maritime Mobile and Maritime)	IB Docket No. 98-96
Mobile-Satellite Radio Services and)	
Withdrawal of the Commission as an)	
Accounting Authority in the Maritime)	
Mobile and Maritime Mobile-Satellite)	
Radio Services)	

REPLY COMMENTS OF COMSAT CORPORATION

COMSAT Corporation, through its COMSAT Mobile Communications business unit ("COMSAT"), hereby files its Reply Comments in the above-referenced proceeding.

COMSAT generally agrees with the other comments filed in this proceeding.¹ In particular, COMSAT agrees with NTIA that there is a widespread lack of understanding among mobile communications users of the role played by accounting authorities, and that the "barring of services through nonpayment of improperly routed, unpaid bills could adversely affect safety of life at sea and disrupt government operations."² It is true, as NTIA states, that the Commission must contact all current users to advise them of the Commission's withdrawal as an accounting authority and to instruct them on options for choosing alternatives. This notification

¹ In addition to COMSAT, other parties that filed comments in this proceeding were the National Telecommunications and Information Administration (on behalf of Federal government users) ("NTIA"), and Morsviasputnik ("MVS"). See Letter from William T. Hatch, Acting Associate Administrator, NTIA, to Magalie Roman Salas, Secretary, Federal Communications Commission, IB Docket No. 98-96, Oct. 25, 1999 ("NTIA Comments"); and Comments of Morsviasputnik, IB Docket No. 98-96, Oct. 25, 1999 ("MVS Comments").

² NTIA Comments at 1.

should include basic information on the functions of an accounting authority as well as information on the impact of the Commission's actions and the users' rights and obligations.

COMSAT wishes to comment, however, on one statement made by NTIA. NTIA suggests that "the Commission must notify each Inmarsat user directly, using commissioning information available from the Communications Satellite Corporation [sic] (Comsat)." While COMSAT certainly stands ready to assist the Commission by providing -- to the extent COMSAT is permitted by law to do so -- available commissioning data, it reminds the Commission that the burden is on the Commission, not COMSAT, to provide timely notice to Inmarsat users and to ensure that no service or billing disruptions occur. The Commission's decision to withdraw as an accounting authority is a discretionary change in Federal policy, and it is the Commission's responsibility to ensure that it is implemented correctly.

As to the substantive procedures that the Commission should follow in ensuring that all mobile communications users are timely notified of the Commission's withdrawal, COMSAT recommends that the Commission adopt a multi-tiered approach that includes a fair amount of redundancy, in recognition of the fact that no one method of notification will be entirely effective.³ These procedures should include general "broadcast" notifications to large groups of users as well as targeted notification to individual users. As an absolute minimum, steps that the Commission should undertake include broadcasting appropriate messages to mobile communications users on several occasions, placing notification messages in invoices that the

³ COMSAT emphasizes, as it did in its initial comments, that the Commission should adopt a transition period of no less than four years. NTIA in its comments stated that this would be the minimum transition period required by some Federal agencies. NTIA Comments at 2 ("If the Commission were to implement the proposed change immediately, some Federal agencies would be unable to establish an accounting authority contract until 2003.").

Commission accounting authority distributes, and engaging in targeted mailing campaigns to all users with whom the Commission has dealt over the past five or more years, through its accounting authority function or otherwise.

With respect to the comments of MVS, COMSAT also wishes to highlight another extremely important issue. MVS's suggestion that the Commission should consider "making its own list of users available to existing certified authorities" ignores the fact that much of the Commission's user data is actually obtained from COMSAT. While COMSAT recognizes that the Commission may need to request commercial information from COMSAT in order to conduct an effective notification campaign, COMSAT would remind the Commission that customer lists and associated user data are extremely valuable commercial property. To the extent that the Commission is now in possession of, or through the transition period obtains, customer data or related types of information from COMSAT, it must hold this information strictly confidential. It must not under any circumstances make available such information to other entities such as MVS, for whom receipt of such data would constitute an unmerited commercial windfall. Unless the Commission can guarantee that any customer information that it receives in the course of the transition will be not be released, COMSAT and others will be extremely hesitant to make such information available to the Commission.

Conclusion

As COMSAT noted in its initial comments in this proceeding, it is of paramount importance for the Commission to engage in a comprehensive and timely campaign to notify

⁴ MVS Comments at 2.

⁵ In addition to the fact that this information is commercially sensitive, the release of customer information by COMSAT and others raises a number of issues relating to privacy and liability that must be addressed before this information may be provided to the Commission.

mobile communications users of the Commission's withdrawal as an accounting authority. COMSAT repeats its belief that the minimum time within which such a campaign may be accomplished successfully is four years. It is also important to emphasize, however, that the Commission's decision to withdraw as an accounting authority is a discretionary change in Federal policy, and as such, it is the Commission's *sole* responsibility to ensure that this change is carried out properly. And while COMSAT stands ready to offer reasonable assistance to the Commission in providing customer information that may be required for notification purposes, the Commission must acknowledge the confidential nature of such information and must guarantee COMSAT that such information will be held in the strictest confidence. The Commission must also take steps to resolve any privacy or liability issues that release of this information to the Commission may entail.

Respectfully submitted,

COMSAT Corporation

COMSAT Mobile Communications

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